

Line 1 is \$3,250 (Bill and Kathy's deductible expenses). Line 2 is \$40,000 (their AGI). Line 3 is \$3,000 ($40,000 \times .075$) Line 4 = \$250 ($\$3,250 - \$3,000$). Did you complete lines 1 through 4 as shown?

Department of the Treasury
Internal Revenue Service (99)

Name(s) shown on Form 1040

Schedule A—Itemized Deductions

(Schedule B is on back)

▶ **Attach to Form 1040.** ▶ **See Instructions for Schedules A and B (Form 1040).**

OMB No. 1545-0074

2005

Attachment
Sequence No. **07**

Your social security number

Medical and Dental Expenses

Caution. Do not include expenses reimbursed or paid by others.

1 Medical and dental expenses (see page A-2) . . .

2 Enter amount from Form 1040, line 38 **2**

3 Multiply line 2 by 7.5% (.075).

4 Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-

4